

SECTION B - ESTABLISHING PROGRAM STRUCTURE

1. DESIGNATION OF LOCAL PROGRAM AND FISCAL MANAGER

Each grantee should designate a program manager for the entire contract period. He/she will manage the project and will be responsible for all program compliance. This person should be a staff member, or a consultant/engineer under separate contract. A project manager should not be subject to local elections during the 20-month period the contract is in effect. The project manager must be directly involved in the day-to-day oversight of the project and will handle all project management issues. The administration of a CDBG grant is a time consuming effort; consequently, elected officials should be sensitive to the time demands and relieve the manager of other duties as necessary.

Grantees electing to pass a grant through to a non-profit or similar organization must remember that the jurisdiction is legally responsible for maintaining all required documentation and for compliance with all state and federal laws. Money can be passed through but legal responsibilities cannot!

The locality should also designate a person (fiscal agent) who has power to receive and disburse funds. The fiscal agent may be a clerk or recorder. Accurate records of all deposits, receipts and expenditures associated with CDBG must be maintained.

2. PROGRAM MANAGEMENT

If a grantee desires to contract administration to a third party, three options should be considered. 1) The engineer or architect who completed the design of the project may do the management of public improvement projects such as water, sewer or other types of construction. The service contract should bind the entity for full project compliance. 2) Grantee may contact the Association of Governments (AOG) who may be able to offer a greater level of experience at a lower cost. 3) The grantee may also contract with another entity if no other arrangements can be made.

It will be necessary for the grantee to adhere to state procurement guidelines when identifying a consultant/engineer. These requirements include advertising "requests for proposals" (RFP's), twice in a locally distributed newspaper at least five days in advance of the opening date. Selection criteria must be created and used. The grantee must include Equal Opportunity Employment Standards in the advertisement, and minority contractors should be considered.

3. IDENTIFY LOCAL REQUIREMENTS THAT MAY AFFECT OR BE AFFECTED BY PROJECT IMPLEMENTATION

Each grantee may also be subjected to local rules and regulations specific to their jurisdiction. Prior to start-up, each locality should review each project element to determine if other regulations may apply. For example, if the locality has adopted the Uniform Building Code, all building construction or housing rehabilitation activities must conform to the code. Any contract for performing work on the project must conform to the Uniform Building Code.

Legal counsel for the grantee should review the scope of work outlined in the contract to ensure legal authority under Utah Law to undertake the activities described.

4. PREPARATION OF GRANTEE FILE

ORGANIZATION - The establishment of files both electronic and hard copy is critical to project success, monitoring and public review. Documentation to support compliance is mandatory! Continual updating of information will allow final monitoring to be successful. Get a box, file cabinet drawer, binder, etc. and create tabs or file folders for each of the categories listed below. As information and documentation is obtained you can file it directly and not think about it again. **Documentation is not an option.** A general outline that will meet HCD monitoring requirements is listed below:

a. APPLICATION FILE

- 1) Grantee's pre and final applications (as submitted), including all supporting documentation (official proofs of publications for public hearings, original survey responses from low-moderate income (LMI) surveys, slum blight resolution, if applicable, a copy of referenced page from the relevant consolidated plan, all other documentation used to prepare the application).
- 2) A subcontractor agreement, if necessary.
- 3) All correspondence (including phone conversations, notes, memos, etc.).

b. CONTRACT FILE

- 1) Award letter
- 2) An executed copy of the grant contract between the grantee and HCD
- 3) All approved amendments
- 4) Any documents relating to contract certifications that are part of the contract including: • Displacement, • Civil Rights, • Fair Housing, • Citizen Participation, etc.

c. FINANCIAL MANAGEMENT FILE

- 1) Time sheets to document administrative time spent for reimbursement
2. A copy of the general ledger or equivalent
3. Documentation of all expenditures including invoice vouchers and canceled checks
4. Proof of receipt of payment from the state (a copy of the state check)
5. Deposit documentation of state fund receipts and bank deposit slips
6. Payroll records for local staff administering the contract including time sheets and attendance records especially if the grantee is spending funds for administration purposes
7. Monthly bank statements
8. Audit reports including both the financial audit and the compliance and program audit

See Financial Management section for a detailed listing of all required documentation.

d. PROFESSIONAL SERVICES

- 1) Request for Proposal (RFP)
- 2) Consultant contract
- 3) An agreement for engineering or architectural services if a construction project

e. ENVIRONMENTAL REVIEW FILE

- 1) Letter designating Environmental Certifying Officer (ECO)
- 2) Description of Proposed Action (DPA)
- 3) Checklist and supporting documents
- 4) Environmental publications
- 5) Release letter from state
- 6) Any miscellaneous correspondence, notes, etc.

f. CONSTRUCTION FILE*

- 1) The bid specifications packet
- 2) Actual proofs of publication
- 3) Request for bids
- 4) Bid tabulations
- 5) The submitted bids
- 6) Contractor and subcontractor eligibility letters from the state
- 7) Contract document and other related materials

g. LABOR STANDARDS FILE*

- 1) Request for wage determinations
- 2) Pre-construction conference minutes
- 3) Contractor payroll forms
- 4) Interview forms

**The Construction and Labor file may be maintained collectively if the grantee desires. The grantee may find it easier to access information if it is separated, especially for complex construction projects.*

h. HOUSING REHABILITATION FILES

This file should contain a copy of the locally established procedures for conducting the housing rehabilitation program. Each house rehabilitated should have its own file with contracts, inspection reports and procurement of contractor data.

i. ECONOMIC DEVELOPMENT FILES

- 1) Agreement between the locality and the assistance recipient.
- 2) Each loan should have its own file that contains all loan specific information.

The grantee must be able to document involvement in the creation of jobs and job types with completed income certification forms. Refer to Economic Develop Section to review eligible activity and compliance. Examples of documentation are listed below:

- (a) Copies of the actual E.D. plans developed.
- (b) E.D. conferences/workshops/training attended or sponsored (dates, places, and attendees).
- (c) Companies or firms who requested or were provided information pertinent to E.D. i.e., a date log listing the company/individual(s) requesting assistance, information requested, assistance provided, outcome, i.e., were jobs created as a result?
- (d) E.D. promotional activity/documents prepared.
- (e) Copies of income certifications.
- (f) Other miscellaneous information proposed in the contract scope.

j. CIVIL RIGHTS FILE

- 1) Documentation of EEO compliance when advertising for jobs.
- 2) Copy of EEO resolution.
- 3) Availability of personnel policies.
- 4) Documentation to identify minority and employee ethnic status.

k. ACQUISITION OF REAL PROPERTY, WATER RIGHTS or EASEMENTS:

- 1) Notice of exemption, if appropriate
- 2) Correspondence with owner, negotiations
- 3) Preliminary acquisition intent letter

- 4) Evidence of receipt of letter by owner
- 5) Appraisal and review appraisal
- 6) Purchase offer, final purchase offer
- 7) Deed, title evidence
- 8) Closing documents
- 9) Proof of payment
- 10) Appeals

l. RELOCATION OF RESIDENTIAL OCCUPANTS OR BUSINESSES

- 1) All projects must have a copy of the anti-displacement and relocation resolution
- 2) List of all occupants/businesses who occupy subject property
- 3) Evidence of timely notice to occupants from grantee regarding displacement intent
- 4) Timely offers of assistance, physical and financial
- 5) Separate files for each individual/business assisted, including all information contained later in this document in the monitoring section
- 6) Appeals
- 7) All miscellaneous correspondence

m. 504 ADA NEEDS ASSESSMENT/INVENTORY

- 1) Inventory
- 2) A Checklist for Determining Architectural Barriers of inventoried structures
- 3) Assessment, if the grantee has had a grant before this checklist should have already been completed. If the grantee is new, the checklist must be completed and maintained in your files and will be reviewed at the time of monitoring

n. WATER OR SEWER RELATED PROJECTS

- 1) Letter from the State Health Department regarding plan/design approval
- 2) Copies of all correspondence from the Health Department including final approval
- 3) Inspection of the completed system by both the Health Department and the grantees inspector or engineer

o. CLOSE-OUT/AUDIT

- 1) The completed closeout packet
- 2) Single audit
- 3) Monitoring letter from the state
- 4) Final closeout from state

5. Frequently Asked Questions

- 1- What if the originally designated program manager leaves office or terminates employment, or for some other reason is no longer available to act in that capacity?

The grantee must immediately notify their state program specialist; a new program manager must be designated; this person must make an appointment to meet with the program specialist to obtain the necessary training before any other action can take place on the grant.

- 2- Does anyone ever really look at these files?

YES! Every grantee will receive an in-person visit from their program specialist before final funds can be drawn-down.